

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)	
)	
Plaintiff)	No.
v.)	
)	
SHELBY WEBB, JR,)	Judge
)	
Defendant.)	

COMPLAINT

The United States of America, by John R Lausch, Jr., United States Attorney for the Northern District of Illinois, brings this action against the defendant, Shelby Webb, Jr, and for its cause of action states:

1. This Court has jurisdiction over this matter pursuant 28 U.S.C. § 1345.
2. The defendant, Shelby Webb, Jr, resides within the jurisdiction of the court.
3. Pursuant to the provisions of Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1071 – 1087-2, and regulations promulgated thereunder 34 C.F.R. Part 682, the defendant executed promissory notes as more fully set forth in the Certificate of Indebtedness attached hereto as Exhibits “A” and “B”, respectively.
4. All due credits and set-offs have been applied to the debt and there remains due and owing the principal sum of \$36,963.00 plus \$74,518.69 interest through June 22, 2018, with interest continuing to accrue at the contract rate, which debt, despite demand, has not been paid.

WHEREFORE, the United States demands judgment against the defendant as follows:

- a. in the amount of \$111,481.69 (\$36,963.00 principal and \$74,518.69 interest accrued through June 22, 2018);

- b. interest to continue to accrue at the contract rate until the date of Judgment;
- c. costs of suit as authorized by 28 U.S.C. §2412(a)(2); and
- d. for such other proper relief as this court may deem just.

Respectfully submitted,

JOHN R LAUSCH, Jr.
United States Attorney

By: s/Ashley K. Rasmussen
ASHLEY K. RASMUSSEN
Potestivo & Associates, P.C.
Attorneys for Plaintiff
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Chicago, Illinois 60606
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312-263-0003

Exhibit A

Sallie MaeSTUDENT LOAN MARKETING ASSOCIATION
SMART LOAN Origination Center
P.O. Box 1304
Merricks, Virginia 22110 1304The SMART LOAN Account

MAR 9 1

Application/Promissory Note**Section I: Personal Information**

1. **LAST NAME** WEBB, JR. **FIRST NAME** SHELBY **MIDDLE INITIAL**
NUMBER AND STREET 1334 SOUTH MAY STREET
CITY, STATE, ZIP CHICAGO, ILLINOIS 60620

2. **PHONE NUMBER (for smart loan)**
SOCIAL SECURITY NUMBER
DATE OF BIRTH, MONTH, DAY, YEAR 8/28/81

3. **NAME AND ADDRESS of a Relative Who Does Not Live With Me**
LAST NAME STRUBLING **FIRST NAME** STEPHEN **MIDDLE INITIAL**
NUMBER AND STREET

4. **NAME AND ADDRESS of a Non-Relative**
LAST NAME WARREN **FIRST NAME** LAWRENCE **MIDDLE INITIAL**
NUMBER AND STREET

Section II: Student Loan Information (Please read instructions carefully.)

8. NAME AND ADDRESS OF LENDER	9. TYPE OF LOAN (See Instructions)	10. INTEREST RATE	11. MONTHLY PAYMENT	12. MONTHLY PAYMENT	13. MONTHLY PAYMENT	14. ESTIMATED BALANCE
AFSA, P.O. Box 92250, Los Angeles, Ca. 90009	X	GSL	7%	9/82		10,000
AFSA, P.O. Box 92250, Los Angeles, Ca. 90009	X	GSL	7%	9/81		4,200
AFSA, P.O. Box 92250, Los Angeles, Ca. 90009	X	GSL	9%	4/85		5,000
NORTHWESTERN U., 1801 LINCOLN AVE, EVANSTON, ILL. 60201	X	NDSL	?	9/82		5,334
AFSA, P.O. Box 92441, Los Angeles, Ca. 90009	X	NYU	12.5%	4/85		4,135
AFSA, P.O. Box 92250, Los Angeles, Ca. 90009	X	NYU	7%	4/85		2,500
SLSB, P.O. Box 1577, Minneapolis, MN 55410	X	ALAS	?	9/84		3,000
PATHWAY BANK, 100 N. STATE ST., CHICAGO, ILL. 60602	X	GSL	9%	9/85		5,000

Enter an "X" in this column if you have selected the loan for consolidation. (If you need to list additional loans, attach another sheet.)

If Sallie Mae receives this application, I am applying to have my loans consolidated into a SMART LOAN Account at Sallie Mae, as allowed under Section 428C of the Higher Education Act of 1965, as amended, "The Act". If Sallie Mae accepts this application, it is my understanding Sallie Mae will advance funds on my behalf to creditors who currently hold the loans listed above in order to pay off these loans. I further understand that the amount of my SMART LOAN will equal the sum of the amounts due from creditors on the pay-off amounts of the loans listed above. The amount may be more or less than the estimated balance I have indicated above. If the actual total balance on loans to be consolidated exceeds the pay-off amount by \$100 or more, Sallie Mae will notify me in writing regarding my loan. Similarly, if I am consolidating ALAS (now called SLS) Supplemental Loans for Students loans and the actual rate on my consolidation loan is higher than 9%, Sallie Mae will notify me prior to originating the SMART LOAN.

Section III: REPAYMENT OPTIONS/Combined Payment Plan

All Borrowers: Check One

15. ☐ I choose the MAX-2 OPTION with two years of interest-only payments. ☐ I choose the MAX-4 OPTION with four years of interest-only payments. ☒ I choose a LEVEL PAYMENT PLAN.

16. ☐ Yes, I am applying for a Combined Payment Plan. Please include in this plan all of the HEAL loans listed above.

Section IV: General Information (Please read and sign in both places indicated.)

17. **PROMISE TO PAY**
 I, the undersigned borrower, promise to pay to the Student Loan Marketing Association (Sallie Mae) at Student Loan Marketing Association, Payment Processing Center, P.O. Box 5997, Lincoln, NE 68505-0997, or at such other address as designated by Sallie Mae, such loan amount as is advanced on my behalf, to pay daily, single interest on the unpaid principal balance thereof at the rate described on the reverse side hereof, all in accordance with a repayment schedule to be furnished to me, and to pay all late charges, reasonable attorney's fees, and other costs permitted by law, and incurred by Sallie Mae in the collection of any amount not paid when due. I understand that the amount of my loan will be based on the pay-off balances of loans selected for consolidation as provided by the creditors of such loans and may exceed my estimate of such pay-off balances. My signature below certifies that I have read, understood, and agreed to the conditions and authorizations stated in the terms hereof and on the reverse side hereof and have received a copy of this application promissory note.

APPLICANT CERTIFICATION

By my signature I certify that I am in repayment status or in a grace period preceding repayment, and not in default on any of the loans I have chosen for consolidation that are listed above. All of the loans selected for consolidation have been made to me to finance my education. I also certify that I have no consolidation loan application pending with another lender and that Sallie Mae does not hold any of my loans selected for consolidation in the section above or that I have checked yes in the box above any of my HEAL loans. I have sought and been granted a consolidation loan from the holder(s) of the loans for consolidation. I further certify that I do not owe a refund on any Full Grant or Supplemental Educational Opportunity Grant, and that I am not in default on any GSL, Perkins, NDSL, ALAS, SLS, PLU, or consolidation loan.

I certify that the above information is true and correct. I have read the material and understand my rights and responsibilities under the loan consolidation program.

CRIMINAL PENALTIES

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form is subject to penalties, which may include fines or imprisonment under the United States Criminal Code and Section 490 of the Act.

18. **APPLICANT SIGNATURE** Sherby Webb Jr. **DATE** April 23, 1987

PERMISSION TO VERIFY LOAN BALANCES

To Whom It May Concern: I hereby authorize you to release to Sallie Mae, for purposes of verifying student loan information in order that I may consolidate my student loans into a consolidation loan pursuant to the Higher Education Act of 1965, as amended, any information concerning my student loans that Sallie Mae requests in connection with such loan consolidation. This information is for the use of Sallie Mae in consolidating my student loans. A copy of this authorization may be deemed to be an original.

19. **APPLICANT SIGNATURE** Sherby Webb Jr. **DATE** 4/23/87 **SOC. SEC. NO.**

SALLIE MAE COPY

BEST COPY AVAILABLE
AT TIME OF IMAGING

21 38373

All right, title, and interest of SLMA is hereby assigned to
the Great Lakes Higher Education Corporation without recourse.

By: Timothy L. Sullivan Date: 3/28/19
Timothy L. Sullivan
Its Authorized Officer
On Behalf of and as Attorney in Fact for SLMA

X

Exhibit B

**U. S. DEPARTMENT OF EDUCATION
SAN FRANCISCO, CALIFORNIA**

CERTIFICATE OF INDEBTEDNESS #1 OF 1

SHELBY WEBB, JR
9337 S MAY ST
CHICAGO, IL 60620
Account No.XXXX

I certify that U.S. Department of Education records show that the BORROWER named above is indebted to the United States in the amount stated below plus additional interest from 06/22/18.

On or about 04/23/87, the BORROWER executed a promissory note to secure a Federal Family Education Loan Program Consolidation loan from SALLIE MAE/SMART LOAN, MERRIFIELD, VA. This loan was disbursed for \$36,963.88 on 10/13/1987 at 9.0 % interest per annum. The loan obligation was guaranteed by GREAT LAKES HIGHER EDUCATION CORPORATION, and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 C.F.R. Part 682). The holder demanded payment according to the terms of the note, and credited \$0.88 to the outstanding principal owed on the loan. The BORROWER defaulted on the obligation on 03/26/91, and the holder filed a claim on the loan guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$36,963.00 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. Pursuant to 34 C.F.R. § 682.410(b)(4), once the guarantor pays on a default claim, the entire amount paid becomes due to the guarantor as principal. The guarantor attempted to collect this debt from the BORROWER. The guarantor was unable to collect the full amount due, and on 08/29/1995, assigned its right and title to the loan to the Department.

Since assignment of the loan, the Department has credited a total of \$23,756.37 in payments from all sources, including Treasury Department offsets, if any, to the balance. After application of these payments, the BORROWER now owes the United States the following:

Principal:	\$36,963.00
Interest:	\$74,518.69
Total debt as of 06/22/18:	\$111,481.69

Interest accrues on the principal shown here at the rate of \$9.11 per day.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on:

7/2/18


Loan Analyst
Litigation Support Unit

Brad Yoder
Loan Analyst